

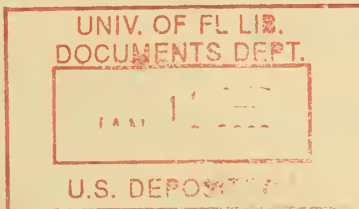
NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE

USED MACHINERY AND
EQUIPMENT DISTRIBUTING
TRADE

AS APPROVED ON JANUARY 10, 1935



UNITED STATES
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Approved Code No. 542

CODE OF FAIR COMPETITION

FOR THE

USED MACHINERY AND EQUIPMENT
DISTRIBUTING TRADE

As Approved on January 10, 1935

ORDER

APPROVED CODE OF FAIR COMPETITION FOR THE USED MACHINERY AND
EQUIPMENT DISTRIBUTING TRADE

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of a Code of Fair Competition for the Used Machinery and Equipment Distributing Trade, and hearings having been duly held thereon and the annexed report on said Code, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, the National Industrial Recovery Board, pursuant to authority vested in it by Executive Orders of the President, including Executive Order No. 6859, dated September 27, 1934, and otherwise; does hereby incorporate by reference said annexed report and does find that said Code complies in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act; and does hereby order that said Code of Fair Competition be and it is hereby approved.

NATIONAL INDUSTRIAL RECOVERY BOARD,
By W. A. HARRIMAN, *Administrative Officer*.

Approval recommended:

HARRY C. CARR,
Acting Division Administrator.

WASHINGTON, D. C.,
January 10, 1935.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: This is a report on the Code of Fair Competition for the Used Machinery and Equipment Distributing Trade of the United States, as revised after a Public Hearing conducted in Washington on the 31st day of July, 1934, in accordance with the provisions of the National Industrial Recovery Act.

PROVISIONS AS TO HOURS AND WAGES

A maximum of 40 hours a week and 8 hours a day is provided by the Code, with an additional 8 hours per week for 6 weeks in any 26-week period to care for peak demands. One and a half times the regular rate is paid for all hours in excess of 40 hours a week or 8 hours a day and on Sundays and legal holidays. No hour limitation is placed on employees engaged in emergency maintenance and emergency repair work or on any specially skilled employee in emergencies which cannot be met by the employment of additional men, but the overtime rate will apply. Watchmen are permitted 54 hours a week. Executives and managers receiving \$35 a week or more and outside salesmen are exempted from the hour limitations.

A minimum wage of not less than 40 cents an hour is provided for all employees, except those on office staffs who will be paid at a rate of not less than \$15 a week, office boys and girls receiving a minimum of 80 per cent of the above rate.

CHILD LABOR

No person under 16 years of age will be employed and no one under 18 years of age will be engaged in hazardous occupations.

ECONOMIC EFFECT OF CODE

This Trade, which distributes used machinery and equipment not covered by approved Codes, is composed of 876 concerns, employing 3,800 persons. The total invested capital amounts to approximately \$16,000,000 and the volume of sales in 1933 was \$18,000,000. The 40 hour week provided by the Code, coupled with increased activities in the Trade as business improves, should result in a substantial gain in employment.

FINDINGS

The Deputy Administrator in his final report to the National Industrial Recovery Board on said Code having found as herein set forth and on the basis of all the proceedings in this matter:

It finds that:

(a) Said Code is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) Said Trade normally employs not more than 50,000 employees; and is not classified by the National Industrial Recovery Board as a major industry.

(c) The Code as approved complies in all respects with the pertinent provisions of said Title of said Act, including without limitation subsection (a) of section 3, subsection (a) of section 7, and subsection (b) of section 10 thereof; and that the applicant association is a trade association truly representative of the aforesaid trade; and that said association imposes no inequitable restrictions on admission to membership therein.

(d) The Code is not designed to and will not permit monopolies or monopolistic practices.

(e) The Code is not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said Code.

For these reasons, this Code has been approved by the National Industrial Recovery Board.

For the National Industrial Recovery Board:

W. A. HARRIMAN,
Administrative Officer.

JANUARY 10, 1935.

CODE OF FAIR COMPETITION FOR THE USED MACHINERY AND EQUIPMENT DISTRIBUTING TRADE

ARTICLE I—PURPOSES

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are established as a Code of Fair Competition for the Used Machinery and Equipment Distributing Trade, and shall be the standards of fair competition for this Trade, and shall be binding upon every member thereof.

ARTICLE II—DEFINITIONS

SECTION 1. (a) The term "Trade" as used herein includes the buying and selling, renting, and/or the dealing in, any repairing, overhauling, and/or renovating connected therewith done by those so buying and selling, renting, and/or dealing in, used machinery and equipment coming within the following classifications, except as provided in Section 1 (b) of this Article.

Used Chemical Machinery

Used Rubber Working Machinery

Used Food and Beverage Machinery

Used Electrical Machinery

Used Power Generating Equipment

Used Metal Working Machinery

Used Wood Working Machinery

Used Mining Machinery

Used Railroad Machinery and Equipment

(b) This Code is not intended to cover the classes of used machinery and/or equipment which are already covered by Codes of Fair Competition heretofore approved; nor to apply to manufacturers in the buying and selling, rebuilding, overhauling or repairing and/or renting of products of their own manufacture; nor to manufacturers in the selling or renting of machinery and/or equipment taken in trade in part payment on the purchase of new machinery or equipment, or repossessed because of non-fulfillment of conditions of sale.

(c) The term "Member of the Trade" shall include those engaged in the "Trade", whether as principals, or agents, or brokers and/or commission agents.

SECTION 2. The term "Employee" as used herein includes anyone engaged in this Trade receiving compensation for his services therein irrespective of the nature or method of payment of such compensation except a member of the Trade.

SECTION 3. The term "Employer" as used herein includes anyone by whom any such employee is compensated or employed.

SECTION 4. The term "Association" as used herein shall mean the National Association of Used Machinery and Equipment Dealers.

SECTION 5. The term "Brokers" and/or "Commission Agents" as used herein includes anyone who acts as a go-between or intermediary in arranging or making purchases or sales of used machinery on behalf of other persons, regardless of whether said services are rendered for a fixed fee or on a commission basis.

SECTION 6. The terms "President", "Act", and "Board", as used herein shall mean respectively the President of the United States; the National Industrial Recovery Act; and the National Industrial Recovery Board.

SECTION 7. The term "the Code" means this Code and all schedules annexed thereto and all amendments thereof hereafter approved by the Board.

SECTION 8. The term "the United States" means and includes all of the territory of the United States of America including its Territories and possessions.

SECTION 9. The term "Apprentice" as used herein shall mean a person of at least sixteen (16) years of age who is engaged in learning a trade or occupation in the Trade under an indenture or contract covering the terms of such engagement.

ARTICLE III—HOURS

SECTION 1. No employee shall be permitted to work in excess of forty (40) hours in any one week or eight (8) hours in any twenty-four (24) hour period, except as herein otherwise expressly provided.

SECTION 2. The provisions of this Article shall not apply to persons employed in a managerial, executive, or supervisory capacity who are paid thirty-five (35) dollars per week or more, or to outside salesmen.

SECTION 3. The maximum hours fixed in Section 1 hereof shall not apply to any employee on emergency maintenance or emergency repair work involving breakdowns or protection of life or property, or in emergencies occasioned by the necessity for the services of any specially skilled employee which cannot be cared for by the employment of additional men; but in any such special case not less than one and one-half ($1\frac{1}{2}$) times his regular rate shall be paid to each employee for all time worked in excess of the maximum hours provided in Section 1 hereof.

SECTION 4. The maximum hours fixed in Section 1 hereof shall not apply for six (6) weeks in any twenty-six (26) week period during which overtime shall not exceed eight (8) hours in any one (1) week. In any such case not less than one and one-half ($1\frac{1}{2}$) times his regular rate shall be paid to each employee for all time worked in excess of eight (8) hours in any twenty-four (24) hour period or in excess of forty (40) hours in any seven (7) day period.

SECTION 5. Except to watchmen, not less than one and one-half ($1\frac{1}{2}$) times the regular rates shall be paid for all work performed on Sundays and legal holidays.

SECTION 6. All hours worked in excess of the maxima provided in Section 1 of this Article shall be reported to the Code Authority, and such information shall be made available to the Board in such form and detail as it may request.

SECTION 7. Power plant engineers and power plant firemen may be permitted to work not in excess of forty-five (45) hours per week, provided that not less than one and one half ($1\frac{1}{2}$) times their regular rate shall be paid to such employees for all time worked in excess of the maximum hours provided in Section 1 hereof.

SECTION 8. Watchmen may be permitted to work not in excess of fifty-four (54) hours per week.

SECTION 9. No employer shall permit any employee to work for any time, which, when totaled with that already performed for another employer or employers, exceeds the maximum permitted herein.

SECTION 10. No employee shall be permitted to work more than six (6) days in any seven (7) day period.

ARTICLE IV—WAGES

SECTION 1. No clerical or office employee shall be paid less than at the rate of fifteen (15) dollars per week and no other employee shall be paid less than at the rate of forty (40) cents per hour, except as herein otherwise expressly provided.

SECTION 2. Office boys and girls may be paid not less than eighty (80) per cent of the minimum wage provided in Section 1 of this Article, but the total number of office boys and girls shall not exceed five (5) per cent of the total number of office or clerical employees, provided that each employer may employ one such office boy or girl.

SECTION 3. This Article establishes a minimum rate of pay, regardless of whether an employee is compensated on a time-rate, piece-work or other basis.

SECTION 4. A person whose earning capacity is limited because of age, physical or mental handicap, or other infirmity, may be employed on light work at a wage below the minimum established by this Code, if the employer obtains from the State authority, designated by the United States Department of Labor, a certificate authorizing such person's employment at such wages and for such hours as shall be stated in the certificate. Such authority shall be guided by the instructions of the United States Department of Labor in issuing certificates to such persons. Each employer shall file monthly with the Code Authority a list of all such persons employed by him, showing the wages paid to, and the maximum hours of work for such employee.

SECTION 5. Female employees performing substantially the same work as male employees shall receive the same rate of pay as male employees; and where they displace men, they shall receive the same rate of earnings as the men they displace. The Code Authority shall within ninety (90) days after the effective date of this Code file with the Board a description of all occupations in the Trade in which both men and women are employed.

SECTION 6. The minimum wage fixed in this Article shall not apply to the employment of apprentices under the rules and regulations stipulated in Executive Order No. 6750-C, dated June 27, 1934. The number of apprentices shall not exceed a ratio of one (1) apprentice to each ten (10) journeyman employees in the particular trade or occupation for which the apprentice is being trained.

SECTION 7. Equitable adjustments shall be promptly made in all wages and salaries. Not later than ninety (90) days after the effective date of this Code, each member of the Trade shall report to the Code Authority the adjustments made prior to or subsequent to the approval of this Code. Such information shall be available to the Board on its request. In no case shall the wages or salary of any employee be reduced.

SECTION 8. This Article establishes rates of pay which shall be exempt from any fines, charges, and/or deductions by the employer.

SECTION 9. An employer shall make payment of all wages due in lawful currency or by negotiable check thereafter, payable on demand. These wages shall be exempt from any payments for pensions, insurance or sick benefits other than those voluntarily paid by the wage earners, or required by State laws. Wages shall be paid at least at the end of every two-week period, and salaries at least at the end of every month. No employer shall withhold wages. The employer or his agents shall accept no rebates directly or indirectly on such wages nor give anything of value or extend favors to any person for the purpose of influencing rates of wages or the working conditions of his employees.

SECTION 10. An employee shall be paid at least his regular rate of pay for all time required to be spent at the place of employment in connection with the discharge of duties of such employment.

SECTION 11. No provisions of this Article shall modify established practices or privileges as to compensated vacation periods, leaves of absence or temporary absences from work heretofore granted employees.

SECTION 12. In determining his classification under this Code, each employee shall be entitled to claim the benefit of the classification of occupation existing on June 16, 1933.

ARTICLE V—GENERAL LABOR PROVISIONS

SECTION 1. No person under sixteen (16) years of age shall be employed in this Trade, nor anyone under eighteen (18) years of age at operations or occupations hazardous in nature or detrimental to health. The Code Authority shall submit to the Board for approval within ninety (90) days of the effective date of this Code a list of such operations or occupations. In any State an employer shall be deemed to have complied with this provision as to age if he shall have on file a certificate or permit duly signed by the Authority in such State empowered to issue employment or age certificates or permits showing that the employee is of the required age.

SECTION 2. (a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives, or in self-organization, or in other concerted activities, for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

(c) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

SECTION 3. No provision in this Code shall supersede any State or Federal Laws imposing more stringent requirements on employers regulating the age of employees, wages, hours of labor, or health, fire protection, or general working conditions than under this Code.

SECTION 4. Employers shall not reclassify employees or duties of occupations performed, or engage in any other subterfuge so as to defeat the purposes or provisions of the Act or of this Code.

SECTION 5. No employee shall be dismissed or demoted by reason of making a complaint or giving evidence with respect to an alleged violation of this Code.

SECTION 6. Every employer shall make reasonable provision for the safety and health of his employees at the place and during the hours of their employment. Standards for safety and health shall be submitted by the Code Authority to the Board for approval within six (6) months after the effective date of this Code.

SECTION 7. An employer shall so administer work in his charge as to provide the maximum continuity of employment practicable for his personnel.

SECTION 8. (a) Within ten (10) days after the effective date of this Code, each employer shall post and thereafter maintain, in conspicuous places accessible to employees full copies of this Code and any amendments or modifications which may later be approved.

(b) Each member of the Trade shall comply with all rules and regulations relative to the posting of provisions of this Code which may from time to time be prescribed by the Board.

ARTICLE VI—ADMINISTRATION

To further effectuate the policies of the Act, a Code Authority is hereby established.

SECTION 1. The permanent Code Authority shall consist of five (5) members to be elected by members of the Association and two (2) members to be elected by nonmembers of the Association who are members of the Trade if the said nonassociation members so desire. In the event the nonassociation members of the Trade do not desire to elect two (2) such members to the Code Authority, the Board may, in its discretion, appoint two (2) members from the nonassociation members of the Trade. In addition to membership as above provided there may be three (3) members, without vote, to be known as Administration members to be appointed by the Board to serve for such terms as it may specify. Members of the Code Authority elected by the Trade shall be elected to serve for one (1) year or until their successors are elected and qualified.

SECTION 2. (a) During the period not to exceed sixty (60) days following the approval of this Code, the Board of Directors of the Association shall constitute a temporary Code Authority, and the Board may, in its discretion, appoint one (1) additional member without vote.

(b) Within said sixty (60) days period the permanent Code Authority shall be elected by letter ballot. Ballots shall be sent by the

temporary Code Authority by mail to all known members of the Trade. The said ballots shall have a suggested list of twenty-four (24) names selected by the Board of Directors of the Association and seven (7) blank spaces in which additional names may be written, and this fact shall be called to the attention of those voting. Of the twenty-four (24) suggested names, seventeen (17) shall be members of the Association, and seven (7) shall be nonassociation members of the Trade. The ballot shall definitely set forth which of the suggested names are nonmembers.

Members of the Association shall have the right to vote only for members of the Code Authority representing the Association. Non-association members shall have the right to vote only for nonassociation members of the Code Authority.

Each member of the Trade may cast one ballot and may vote for either his own choices or those nominated by the Board of Directors of the Association.

The said balloting shall close twenty-one (21) days after the date of mailing of the ballots. Not later than five (5) days after the closing of the balloting, the ballots shall be opened in the presence of at least three (3) members of the Board of Directors of the Association and in the presence of a notary public who shall count the said ballots and record the votes. The five (5) members of the Association receiving the largest number of votes and the two (2) nonassociation members receiving the largest number of votes shall be declared elected.

(c) Within two (2) weeks after the opening of said ballots a meeting shall be called by the Code Authority for the purpose of completing the organization of the Code Authority and carrying on any other business which may properly come before it.

(d) Subsequent elections of Code Authority members shall be by mail balloting and in the manner specified in Section 2 (b) of this Article.

SECTION 3. Each trade or industrial association directly or indirectly participating in the selection or activities of the Code Authority shall

(1) Impose no inequitable restrictions on membership.

(2) Submit to the Board true copies of its articles of association, by-laws, regulations, and any amendments when made thereto, together with such other information as to membership, organization, and activities as the Board may deem necessary to effectuate the purpose of the Act.

SECTION 4. In order that the Code Authority shall at all times be truly representative of the Trade and in other respects comply with the provisions of the Act, the Board may prescribe such hearings as it may deem proper; and thereafter if it shall find that the Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, may require an appropriate modification of the Code Authority.

SECTION 5. Nothing contained in this Code shall constitute the members of the Code Authority partners for any purpose. Nor shall any member of the Code Authority be liable in any manner to anyone for any act of any other member, officer, agent, or employee of the Code Authority. Nor shall any member of the Code Au-

thority, exercising reasonable diligence in the conduct of his duties hereunder, be liable to anyone for any action or omission to act under this Code, except for his own wilful malfeasance or non-feasance.

SECTION 6. If the Board shall at any time determine that any action of the Code Authority or any agency thereof may be unfair or unjust or contrary to the public interest, the Board may require that such action be suspended to afford an opportunity for investigation of the merits of such action and further consideration by such Code Authority or agency pending final action, which shall not be effective unless the Board approves or unless it shall fail to disapprove after thirty (30) days' notice to it of intention to proceed with such action in its original or modified form.

SECTION 7. Subject to such rules and regulations as may be issued by the Board, the Code Authority shall have the following powers and duties, in addition to those authorized by other provisions of this Code:

(a) To insure the execution of the provisions of this Code and to provide for the compliance of the Trade with the provisions of the Act.

(b) To adopt by-laws and rules and regulations for its procedure.

(c) To obtain from members of the Trade such information and reports as are required for the administration of this Code. Such information and reports shall be filed with a disinterested agent of the Code Authority or if none, then with such an agent designated by the Board. In addition to information required to be submitted to the Code Authority, members of the Trade subject to this Code shall furnish such statistical information as the Board may deem necessary for the purposes recited in Section 3 (a) of the Act to such Federal and State agencies as it may designate; provided that nothing in this Code shall relieve any member of the Trade of any existing obligations to furnish reports to any Government agency. No individual report shall be disclosed to any other member of the Trade or any other party except to such other Governmental agencies as may be directed by the Board.

(d) To use such trade associations and other agencies as it deems proper for the carrying out of any of its activities provided for herein, provided that nothing herein shall relieve the Code Authority of its duties or responsibilities under this Code and that such trade associations and agencies shall at all times be subject to and comply with the provisions hereof.

(e) To make recommendations to the Board for co-ordination of the administration of this Code with such other Codes, if any, as may be related to or affect members of the Trade.

(f) 1. It being found necessary in order to support the administration of this Code and to maintain the standards of fair competition established hereunder and to effectuate the policy of the Act, the Code Authority is authorized:

A. To incur such reasonable obligations as are necessary and proper for the foregoing purposes, and to meet such obligations out of funds which may be raised as hereinafter provided and which shall be held in trust for the purpose of the Code;

B. To submit to the Board for its approval, subject to such notice and opportunity to be heard as it may deem necessary, (1) an itemized budget of its estimated expenses for the foregoing purposes, and (2) an equitable basis upon which the funds necessary to support such budget shall be contributed by members of the Trade;

C. After such budget and basis of contribution have been approved by the Board, to determine and obtain equitable contribution as above set forth by all members of the Trade, and to that end, if necessary, to institute legal proceedings therefor in its own name.

2. Each member of the Trade shall pay his or its equitable contribution to the expenses of the maintenance of the Code Authority, determined as hereinabove provided, and subject to rules and regulations pertaining thereto issued by the Board. Only members of the Trade complying with the Code and contributing to the expenses of its administration as hereinabove provided, unless duly exempted from making such contribution, shall be entitled to participate in the selection of members of the Code Authority or to receive the benefits of any of its voluntary activities or to make use of any emblem or insignia of the National Recovery Administration.

3. The Code Authority shall neither incur nor pay any obligation substantially in excess of the amount thereof as estimated in its approved budget and shall in no event exceed the total amount contained in the approved budget except upon approval of the Board; and no subsequent budget shall contain any deficiency item for expenditures in excess of prior budget estimates except those which the Board shall have so approved.

(g) To recommend to the Board any action or measures deemed advisable, including further fair trade practice provisions to govern members of the Trade in their relations with each other or with other trades; measures for industrial planning, and stabilization of employment; and including modifications of this Code which shall become effective as part hereof upon approval by the Board after such notice and hearing as it may specify.

(h) To appoint a Trade Practice Committee which shall meet with the Trade Practice Committees appointed under such other Codes as may be related to the Trade for the purpose of formulating fair trade practices to govern the relationships between employers under this Code and under such other Codes to the end that such fair trade practices may be proposed to the Board as amendments to this Code and such other Codes.

(i) To appoint a Trade Practice Complaints Committee and establish the procedure therefor subject to the approval of the Board.

ARTICLE VII—TRADE PRACTICE RULES

RULE 1. *Inaccurate advertising.*—No member of the Trade shall publish advertising (whether printed, radio, display, or of any other nature), which is misleading or inaccurate in any material particular, nor shall any member in any way misrepresent any goods (including but without limitation its use, trademark, grade, quality, quantity, origin, size, substance, character, nature, finish, material, content or preparation) or credit terms, values, policies, services, or the nature or form of the business conducted.

RULE 2. *False Billing.*—No member of the Trade shall knowingly withhold from or insert in any quotation or invoice any statement that makes it inaccurate in any material particular.

RULE 3. *Inaccurate labeling.*—No member of the Trade shall brand or mark or pack any goods in any manner which is intended to or does deceive or mislead purchasers with respect to the brand, grade, quality, quantity, origin, size, substance, character, nature, finish, material content, or preparation of such goods.

RULE 4. *Defamation.*—No member of the Trade shall defame a competitor by falsely imputing to him dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representation, or by falsely disparaging the grade or quality of his goods.

RULE 5. *Threats of Law Suits.*—No member of the Trade shall publish or circulate unjustified or unwarranted threats of legal proceedings which tend to or have the effect of harassing competitors or intimidating their customers.

RULE 6. *Secret Rebates.*—No member of the Trade shall secretly offer or make any payment or allowance of a rebate, refund, commission, credit, unearned discount or excess allowance, whether in the form of money or otherwise, nor shall a member of the Trade secretly offer or extend to any customer any special service or privilege not extended to all customers of the same class, for the purpose of influencing a sale.

RULE 7. *Bribing Employees.*—No member of the Trade shall give, permit to be given, or offer to give, anything of value for the purpose of influencing or rewarding the action of any employee, agent, or representative of another in relation to the business of the employer of such employee, the principal of such agent or the represented party, without the knowledge of such employer, principal or party. This provision shall not be construed to prohibit free and general distribution of articles commonly used for advertising except so far as such articles are actually used for commercial bribery as hereinabove defined.

RULE 8. *Inducing Breach of Existing Contracts.*—No member of the Trade shall by any false or deceptive means wilfully induce or attempt to induce the breach of existing commercial contracts to which any other member of the Trade is a party, or interfere with or obstruct the performance of any such contractual duties or services by any such means, with the purpose and effect of hampering, injuring or embarrassing competitors in their business.

RULE 9. *Coercion.*—No member of the Trade shall require that the purchase or lease of any goods be a prerequisite to the purchase or lease of any other goods.

RULE 10. *Sales on Deferred Payment.*—No member of the Trade shall sell or offer for sale any machinery or equipment on a deferred payment plan in which a reserved security or property interest is provided, unless the terms of payment shall include a cash payment of at least 25% of the purchase price on delivery of the machinery or equipment, and provisions that the balance shall be paid within 12 months of the date of delivery.

RULE 11. *Classification of Offerings.*—No member of the Trade shall sell or offer for sale any used machinery or equipment under any except the following classifications:

- (a) Guaranteed rebuilt as specified in writing.
- (b) Guaranteed as represented in writing.
- (c) Present condition, commonly known "as is".

ARTICLE VIII—EXPORT TRADE

No provision of this Code relating to prices or terms of selling, shipping, or marketing, shall apply to export trade or sales or shipments for export trade. "Export Trade" shall be as defined in the Export Trade Act adopted April 10, 1918.

ARTICLE IX—MODIFICATION

SECTION 1. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of subsection (b) of Section 10 of the Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act.

SECTION 2. Such of the provision of this Code as are not required to be included herein by the Act may, with the approval of the Board, be modified or eliminated in such manner as may be indicated by the needs of the public, by changes in circumstances, or by experience.

ARTICLE X—MONOPOLIES

No provision of this Code shall be applied so as to permit monopolies or monopolistic practices, or to eliminate, oppress, or discriminate against small enterprises.

ARTICLE XI—PRICE INCREASES

Whereas the policy of the Act to increase real purchasing power will be made more difficult or consummation if prices of goods and services increase as rapidly as wages, it is recognized that price increases except such as may be required to meet individual cost should be delayed, and when made such increases should, so far as possible, be limited to actual additional increases in the seller's costs.

ARTICLE XII—SCOPE OF CODE

If an employer in this Trade is also an employer in any other trade or industry the provisions of this Code shall apply to and affect only that part of the business of such employer which is a part of the Trade covered by this Code.

ARTICLE XIII—EFFECTIVE DATE

This Code shall become effective on the second Monday after the approval by the Board.

Approved Code No. 542.
Registry No. 1399-29.

UNIVERSITY OF FLORIDA



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